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# **United States and Turkey and Azerbaijan: A Strategic Partnership**

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Daniel Fried**

**Assistant Secretary of State for European and Eurasian Affairs**

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I am told that the name Azerbaijan comes from the Old Persian for Land of Fire, a reference supposedly to Azerbaijan's famous petroleum deposits. The link between the nation and energy does neatly capture the way many look at Azerbaijan. But there is another theory that the name refers to bonfires lit by the Zoroastrian high priests of this ancient country. I prefer that theory of the origin of the name Azerbaijan, because it roots the nation in ancient culture, and it is culture, not resources, that makes civilizations.

Nations need resources, but traditions and values are deeper ingredients of successful nationhood. America looks at Azerbaijan in the deeper sense. The United States and Europe are of course large consumers of foreign energy, and we are interested in a free and open market for all commodities, especially strategic ones, and I will speak to that. But U.S. interests in partnership with Azerbaijan are broader. We have a stake in the spread of the rule of law and democracy, the stability that results over time from their consolidation, and an open-trading system. And our relations with Turkey are similarly broad.

The three of us, Azerbaijan, Turkey, and the United States, can forge a strategic partnership that will benefit us all, and in turn benefit the region. Turkey's example as a secular democracy with a Muslim-majority population can inspire reformers in the Caucasus, Central Asia, and broader Middle East who seek the same political freedom, prosperity, and stability that Turkish citizens increasingly enjoy.

The United States' grand strategy for post-communist Europe since 1989 has rested on a deceptively simple principle: America's interests are best served when the countries which liberated themselves from Soviet control are free and empowered to fulfill their own destiny by pursuing their own reforms. The United States does not view the countries in the South Caucasus and Central Asia instrumentally. Rather, we are convinced that Azerbaijan's success as a nation free and at peace at home, at peace in its region is in our long-term interest.

I would like to make three points to illustrate how we apply this overall approach to Azerbaijan in particular and what Turkish, Azerbaijani, and the U.S. strategic partnership means.

- First, by succeeding as a democracy over time and building modern national institutions, again over time, Azerbaijan can be a stronger nation and more important strategic partner
- The second point concerns the Turkish, Azerbaijan, and the U.S. energy partnership
  - Through this partnership, we hope Azerbaijan can find resources for building its state at home and peace and security in its region
- The third point includes the impact we hope Turkey, Azerbaijan, and the U.S. strategic cooperation will have on the region that stretches from the Black Sea to China

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## Azerbaijan's Democracy and Nationhood

Let us acknowledge and applaud what Azerbaijan has achieved since regaining its independence in 1991. It managed the immediate post-Soviet transition successfully. It stabilized itself and developed cooperative relations with Russia. Today, it is helping Iraqis and Afghans retain their freedom, in partnership with the United States.

Nagorno-Karabakh remains an unresolved and dangerous problem. But even given this, we should affirm that President Heydar Aliyev achieved a great deal in successfully creating a viable and sovereign state. The question now is what kind of state Azerbaijan will become. And the that question is not yet answered.

Will Azerbaijan continue a successful path of national development? It can do so only if it creates 21st century institutions essential for a modern state. These include:

- Independent legislature
- Independent banking system
- Impartial judiciary free of political control
- Independent, functioning markets
- Independent media

This is the challenge of President Ilham Aliyev. Notice the operative word: independent. Checks and balances are necessary if a government is going to the correct course. And checks and balances only exist when institutions act without fear of retribution.

Freedom in this sense is not a luxury that one looks to achieve as an afterthought. Democracy is not simply the holding of elections. The 21st century faces many challenges terrorism and ideological radicalization, the proliferation of unconventional weapons, and weak and corrupt governance among them. The response to these problems will be found through the rule of law, through governments that rule justly and accountably, through free markets and the institutions that keep them honest. And Azerbaijan's achievements in this context are mixed. The opposition has been marginalized, and while I know there are outstanding individuals in parliament one with us today, the legislature needs to play its role in governing the country and not be simply a transition belt for the government. Courts, too, need to function as courts.

More importantly, we are deeply disturbed by the continued and recently growing pressure on media, including the arrests of journalists. I was dismayed to learn of the arrest of a Radio Free Europe/Radio Liberty (RFE/RL) correspondent Nasibov, in Azerbaijan late last week under charges of "criminal libel." I understand that the Nakhchivan prosecutor has dropped the most severe charges. If true, I welcome it. But I also understand that Mr. Nasibov has been given a years probation for what appears to be no more than him doing his job. Moreover, this latest arrest follows a disturbing pattern of pressure on independent journalists. I regret to say that we appear to be witnessing a deterioration of media freedom in Azerbaijan. This is not good news for Azerbaijan or our relations.

We all witnessed the difficulties Georgia encountered when it closed a major television station. Our message to our Georgian friends was the same as my message to you: if the media are not free, neither is the nation. Strong countries have free media. The media has a responsibility to maintain professional standards, but arrests are not the way to improve media. These blunt words may not meet with an enthusiastic reaction from some here. They are not intended to elicit one. But let me add that America is far from perfect, and we do not hold ourselves above criticism. Nor does Azerbaijan need to look to the U.S. as the sole available democratic model. There are other examples.

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Turkey is itself deepening its democracy and gradually developing the practices and institutions of secular democracy with a Muslim-majority population. Turkish democracy has faced setbacks in the past and faced a test this past spring and summer, but there is no doubt that the main trend in Turkey over the past generation has been profoundly democratic, and this year Turkish democracy demonstrated its strength through the last elections that provided a fair chance for the nation's will to make itself known and respected.

Azerbaijan could follow Turkey's example, even as Turkey conducts its own debates about improving journalistic freedoms and eliminating taboos that have no place in a confident, modern nation. Again, strong nations do not arrest their journalists and silence their critics. Azerbaijan might consider that U.S.-Turkish relations are based on shared values as much as shared interests.

By succeeding as a secular democracy, Azerbaijan can similarly elevate its strategic importance, as Turkey has done. This process, to be realistic, takes time. If Azerbaijan over time opens itself up, deepens its institutions, opens its economy, the rest of its democracy will follow and its independence and sovereignty will have stronger foundations, as will our partnership.

### **Energy Partnership**

The longer term impact of energy development will also be a factor in Azerbaijan's success in developing independent institutions. Azerbaijan needs to make its oil and gas deposits become a blessing and national asset, and not a source of fast wealth and long-term instability. We all know of petro-dictatorships abound in the world. Theories why also abound, and they usually revolve around how oil and gas revenues free leaders from checks and balances. Sudden wealth unchecked by strong, honest institutions to handle it can fatten a small group of well-placed leaders rather than strengthen a nation. In such cases, massive amounts of petro-money lead to corruption, misgovernance, economic distortions and, ultimately, political and social instability.

The answer lies in transparent institutions and open markets, independent of monopolies and the distortions they bring. Azerbaijan has taken some of the right steps already. In 1994, President Haydar Aliyev made a bold decision to open Azerbaijan's energy sector in the Caspian Sea to international investors. This opening, coupled with the Baku-Supsa and Baku-Tbilisi-Ceyhan oil pipelines and the Baku-Tbilisi-Erzurum gas pipeline, aimed to cement Azerbaijan's place in Europe, in close cooperation with Turkey and the United States.

This vision was then shared and amplified by then-President Demirel of Turkey. Working with Azerbaijani President Aliyev, Azerbaijani Energy Minister Natiq Aliyev, Azerbaijani Vice Speaker Aleskherov, and Turkish Energy Minister Guler, these plans have gone forward to establish a new generation of energy infrastructure in a Southern Corridor that will help Europe diversify its energy supplies by relying on Azerbaijani, and Caspian energy more generally, eventually delivered via Turkey. It is hardly surprising that all these men are either here or are addressing this conference via video. I also want to note the success of the State Oil Fund of Azerbaijan as a success. The establishment and functioning of this fund show that Azerbaijan leadership is aware of and addressing the pitfalls of the Oil Trap.

Azerbaijan has a strategic importance as an alternative supplier of natural gas to Europe. It is emerging as a giant producer of natural gas, in addition to the oil that fills the landmark Baku-Tbilisi-Ceyhan (BTC) pipeline. Azerbaijan's gas reserves should be sufficient to launch and perhaps complete a new generation of natural gas pipelines that will link Southern and Central Europe with the Caspian Basin via Turkey, providing several of our European Allies with a viable alternative to a monopoly transport system and a closed investment climate.

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The opening of energy development and end to closed, monopolistic transport systems will tend to reduce corruption, if matched by development of institutions to see to it that energy wealth benefits the nation:

- Independent, well-regulated and un-politicized banks
- Accountability for the energy resources

### **United States, Turkey, and Azerbaijan Cooperation in the Region**

Azerbaijan's successful development at home and support for open energy markets should go hand-in-hand. The three countries at this conference know that our tripartite relationship is a major strategic factor for the region. Turkey is an old friend and ally of ours, and we have been through many a crisis together. Our friendship transcends the state-to-state, government-to-government levels and includes individuals. I have friends at this conference, and they have a friend in me.

Let me say how pleased I am that, at long last, our cooperation against the Kurdish Workers' Party (PKK) terrorist organization is at a new phase and yielding concrete results. But aside from our interests in each other, we three can also do a lot together externally, impacting not just the South Caucasus but also the vast land that stretches on the other side of the Caspian. The title of your conference is *The Azerbaijan-Turkey-U.S. Relationship and Its Importance to Eurasia*. The three of us should do all we can to help this region expand its strategic horizons and its political and economic freedoms. Achieving this would raise our tripartite relationship to a higher strategic level.

The South Caucasus and Central Asia emerged from the Soviet Union, but have yet to find their place in the wider world. A Turkey and Azerbaijan as it goes in the right direction will lead these countries to a destination of peace and prosperity, and I agree with Ambassador Sensoy about Turkey's soft power. We want a Central Asia open to and engaged the world as a subject in its own right, not an object. In saying this, let me add that the United States does not regard itself in a zero-sum game against any other country. To be blunt and specific: Russia will be a major factor in this region; it is neither wise nor possible for the United States to pit itself against Russia as an objective of our policies. Rather, in our vision of an open region, there is room for all nations to develop relations with Central Asia and the South Caucasus, as this region finds its own way in the world in its new independence and sovereignty. We will defend and advance this vision vigorously.

One huge benefit for the region, and a huge achievement for the U.S., Azerbaijan, and Turkey partnership, is the physical and economic manifestation of the development of a Southern Corridor to Europe for natural gas. This will require the U.S., Azerbaijan, and Turkey to work together to attract gas from Turkmenistan and Kazakhstan. The result would be a far stronger basis of long-term strategic openness for the region and its connection to the west.

Our partnership can have a tremendous impact beyond the former Soviet empire. A democratic, developing, prosperous, and stable Azerbaijan will provide an example to inspire aspiring reformers in Iran, whose 17 million ethnic Azeris comprise one-quarter of Iran's population. In order for this vision, an important one, to materialize, Azerbaijan is going to need to enact the political reforms I referred to. It will also need to resolve its outstanding issue with Armenia.

The South Caucasus cannot achieve its full potential in the absence of a Nagorno-Karabakh settlement. As long as Armenia remains isolated in its region, a common vision of prosperity and freedom, and therefore stability, will not be attainable. It is time to wrap up agreement on the Basic Principles of a Nagorno-Karabakh settlement. To succeed, Azerbaijan will have to:

- Deepen its institutions as a secular democracy, something that will only elevate Azerbaijan's strategic importance

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- Do all it can to ensure transparency in its energy markets

If it does make reforms in these areas, the U.S., Turkey, and Azerbaijan relationship can help shape the strategic evolution of the vast region from the Black Sea to China and to advance its sovereign and independent place in the wider world. Azerbaijan's future will be as bright as it makes it. Turkey, given its geographic position and the North Atlantic Treaty Organization (NATO) membership, is a natural gateway for Azerbaijan to the Euro-Atlantic family. Just as Turkey is deepening its democratic reforms to sustain its European Union (E.U.) accession ambitions, so must Azerbaijan advance democratic reform to bolster its ties with Euro-Atlantic institutions.

Those bright lights that caught the eyes of ancient Persians should not be allowed to die down.